# WITZENBERG MUNICIPALITY

## SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN




2015/2016

# INDEX



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# INTRODUCTION AND OVERVIEW

## 1.1 PURPOSE OF THE REPORT

The purpose of this report is to provide an executive summary of the legislative framework that prescribes an SDBIP.

The 2015/16 Top Layer SDBIP attached to this report is hereby submitted for approval. It indicates the planned performance targets of Witzenberg Municipality for the period 1 July 2015 to 30 June 2016.

The Top Layer of the SDBIP is made up of the following components:

- One year detailed plan, with a three-year capital plan
- The necessary components includes**:**
  - Monthly projection of revenue to be collected for each Source *(Expected Revenue to be collected)*
  - Monthly projects of expenditure (operating and capital) and revenue for each vote *(S71 format)*
  - Quarterly projects of Services Delivery Targets and performance indicators for each vote. *(Non financial measurable performance objectives in the form of targets and indicators. Level and standard of service being provided to the community)*
  - Detailed capital works plan broken down by ward over three year

## 1.2 LEGISLATIVE FRAMEWORK AND GENERAL INFORMATION PERTAINING TO THE SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulation.

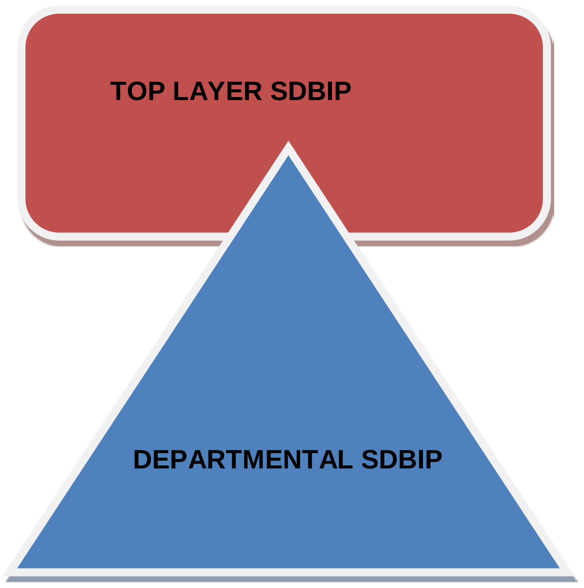
The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community to monitor the municipality’s performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget,

the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilized. The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councillors to provide feedback to their communities on progress with service delivery.

As mentioned before, it is a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance.

The SDBIP is a layered plan that consists of a top layer and a supporting layer namely the departmental SDBIP.




## TOP LAYER SDBIP (MUNICIPAL SCORECARD)

Circular 13, as well as the municipal budget and reporting regulations prescribe the submission of a Top Layer SDBIP, which is focused on outcomes, to the Mayor with the budget. The Top Layer SDBIP contains the consolidated service delivery targets and in-year deadlines, and links such targets to top management. Only the Top Layer SDBIP will be made public and tabled before the council. The Top Layer SDBIP should also include per ward information, particularly for key expenditure items on capital projects and service delivery. This will enable each ward councillor and ward committee to oversee service delivery in their particular ward. The Top Layer SDBIP and its targets cannot be revised without notifying the council, and if changes is made in service delivery targets and

performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1)(c) of MFMA). Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

## DEPARTMENTAL SDBIP

A detailed departmental SDBIP, which is focused on operational performance, will be prepared for each municipal department. This SDBIP provides more detail on each output for which top management is responsible. The Top Layer SDBIP is therefore the summary of all the departmental SDBIP's.

The Departmental SDBIP must provide the following information:

- Purpose (Objectives)
- Service Delivery description
- Measurable Performance objectives
- List of capital projects per Ward
- Resources utilized (inputs)

## FACTORS CONSIDERED FOR THE COMPILATION OF THE TOP LAYER SDBIP

The IDP is considered as the 5-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Top Layer SDBIP was drafted through a one on one consultation with the Municipal Manager and all the directors. After the completion of the draft Top Layer SDBIP, the Municipal Manager had one on one session's with his directors to finalise the Top Layer SDBIP. One on one session's will be held with the heads of Departments to discuss and draft the Departmental SDBIP which would serve as the portfolio of evidence for the TOP Layer SDBIP. The following were considered during the development of the SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report of 2013/14
- The risks identified by the Internal Auditor during the municipal risk analysis

- Areas to be addressed and root causes of the Auditor-General management letter COMAFS as well as the risks identified during the audit
- Local Government Turnaround Strategy

## SECTION 53(1)(C)(II) – SUBMISSION TO THE MAYOR

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation for the necessary approval.

Print Name D NASSON

Municipal Manager of Witzenberg Municipality

Signature ____________________________________________

Date

## SECTION 53(1)(C)(II) – APPROVAL BY THE MAYOR

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name J Klazen

Mayor of Witzenberg Municipality

Signature ____________________________________________

Date

## STRATEGIC MAP

| *WITZENBERG MUNICIPALITY: STRATEGIC MAP 2015/2016* | | | | | |
|---|---|---|---|---|---|
| **Vision** | **Mission** | **Municipal Key Performance Area** | | **Pre-determined Objectives** | |
| A municipality that cares for its community, creating growth and opportunities. | The Witzenberg Municipality is committed to improve the quality of life of its community by:<br><br>- Providing & maintaing affordable services<br>- Promoting Social & Economic Development<br>- The effective & efficient use of resources<br>- Effective stakeholder & community participation. | 1 | Essential Services | 1.1 | Sustainable provision & maintenance of basic infrastructure |
| | | | | 1.2 | Provide for the needs of informal settlements through improved services |
| | | 2 | Governance | 2.1 | Support Institutional Transformation & Development |
| | | | | 2.2 | Ensure financial viability. |
| | | | | 2.3 | To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures. |
| | | 3 | Communal Services | 3.1 | Provide & maintain facilities that make citizens feel at home. |
| | | 4 | Socio-Economic Support Services | 4.1 | Support the poor & vulnerable through programmes & policy |
| | | | | 4.2 | Create an enabling environment to attract investment & support local economy. |

# FINANCIAL COMPONENT

## COMPONENT 1 – MONTHLY REVENUE BY SOURCE

| Source | July | August | Sept. | October | November | December | January | February | March | April | May | June |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Property rates | 56 147 | 68 | 354 | 356 | 44 | 206 | (3 798) | 374 | 343 | 356 | 543 | 323 |
| Property rates - penalties & collection charges | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 |
| Service charges - electricity revenue | 19 281 | 17 160 | 17 633 | 13 956 | 13 026 | 14 162 | 14 746 | 17 621 | 17 676 | 18 354 | 18 055 | 16 859 |
| Service charges - water revenue | 2 916 | 2 915 | 2 907 | 2 905 | 2 901 | 2 900 | 2 898 | 2 903 | 2 936 | 2 936 | 2 935 | 2 934 |
| Service charges - sanitation revenue | 1 311 | 1 749 | 2 280 | 1 291 | 1 769 | 1 288 | 1 293 | 1 293 | 1 885 | 1 357 | 1 355 | 1 614 |
| Service charges - refuse revenue | 1 638 | 1 640 | 1 640 | 1 621 | 1 622 | 1 618 | 1 623 | 1 630 | 1 557 | 1 600 | 1 566 | 1 567 |
| Service charges - other | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Rental of facilities and equipment | 712 | 762 | 666 | 693 | 687 | 640 | 820 | 828 | 580 | 582 | 590 | 599 |
| Interest earned - external investments | 200 | 313 | 289 | 217 | 237 | 288 | 316 | 215 | 200 | 233 | 285 | 203 |
| Interest earned - outstanding debtors | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 | 407 |
| Dividends received | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines | 424 | 403 | 446 | 738 | 574 | 829 | 609 | 203 | 357 | 270 | 224 | 3 483 |
| Licences and permits | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 |
| Agency services | 263 | 297 | 270 | 433 | 307 | 282 | 385 | 276 | 251 | 260 | 259 | 318 |
| Transfers recognised - operational | 5 007 | 5 219 | 5 145 | 5 667 | 6 847 | 5 490 | 6 761 | 5 572 | 5 023 | 6 336 | 8 586 | 17 072 |
| Other revenue | 380 | 377 | 379 | 379 | 422 | 379 | 377 | 379 | 377 | 377 | 378 | 378 |
| Gains on disposal of PPE | 692 | 692 | 692 | 692 | 692 | 692 | 692 | 692 | 692 | 692 | 692 | 692 |
| Total Revenue (excluding capital transfers) | 89 514 | 32 137 | 33 243 | 29 490 | 29 670 | 29 316 | 27 265 | 32 527 | 32 420 | 33 897 | 36 011 | 46 584 |

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## COMPONENT 2 – MONTHLY OPERATING EXPENDITURE BY VOTE

| Vote | July | August | Sept. | October | November | December | January | February | March | April | May | June |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Budget & Treasury Office | 2 486 | 2 760 | 3 540 | 3 190 | 2 929 | 4 543 | 2 660 | 2 428 | 2 808 | 2 768 | 2 633 | 4 600 |
| Civil Services | 5 591 | 5 719 | 6 848 | 6 022 | 6 364 | 6 063 | 6 251 | 6 627 | 8 691 | 7 974 | 7 663 | 15 612 |
| Community & Social Services | 1 447 | 1 577 | 1 714 | 1 924 | 1 963 | 1 721 | 1 927 | 1 551 | 1 622 | 1 630 | 1 583 | 2 223 |
| Corporate Services | 2 298 | 2 679 | 2 570 | 2 779 | 3 685 | 1 168 | 549 | 4 206 | 3 131 | 2 889 | 2 195 | 3 956 |
| Electricity | 4 282 | 21 113 | 19 759 | 12 412 | 13 120 | 11 976 | 12 472 | 15 159 | 15 014 | 16 142 | 15 395 | 31 460 |
| Executive & Council | 1 967 | 2 034 | 2 126 | 2 086 | 2 145 | 2 140 | 1 942 | 2 011 | 2 079 | 2 041 | 2 044 | 2 831 |
| Housing | 234 | 319 | 313 | 303 | 1 779 | 311 | 1 710 | 326 | 368 | 1 794 | 2 990 | 1 041 |
| Planning | 436 | 437 | 440 | 436 | 435 | 436 | 436 | 470 | 434 | 435 | 434 | 511 |
| Public Safety | 1 098 | 1 212 | 1 214 | 1 278 | 1 433 | 1 305 | 1 283 | 1 187 | 1 354 | 1 534 | 1 358 | 7 864 |
| Sport & Recreation | 1 465 | 1 492 | 1 509 | 1 556 | 1 601 | 1 569 | 1 599 | 2 055 | 1 798 | 1 818 | 1 784 | 2 430 |
| Vote | 21 304 | 39 342 | 40 032 | 31 987 | 35 453 | 31 234 | 30 829 | 36 020 | 37 299 | 39 025 | 38 080 | 72 529 |

## COMPONENT 3 – MONTHLY CAPITAL EXPENDITURE

WC022 Witzenberg - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

| Description | Ref | Budget Year 2015/16 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June |
| Capital Expenditure - Standard | 1 | | | | | | | | | | | | |
| *Governance and administration* | | 15 | 54 | 30 | 96 | 107 | 105 | 86 | 62 | 161 | 160 | 206 | (381) |
| Executive and council | | 1 | 3 | 2 | 6 | 7 | 7 | 5 | 4 | 10 | 10 | 13 | 282 |
| Budget and treasury office | | – | – | – | – | – | – | – | – | – | – | – | – |
| Corporate services | | 14 | 51 | 28 | 90 | 101 | 98 | 80 | 58 | 151 | 150 | 193 | (664) |
| *Community and public safety* | | 34 | 118 | 65 | 209 | 235 | 228 | 187 | 136 | 351 | 350 | 451 | 7 198 |
| Community and social services | | 14 | 50 | 28 | 89 | 100 | 98 | 80 | 58 | 150 | 150 | 193 | 830 |
| Sport and recreation | | 19 | 67 | 37 | 120 | 134 | 131 | 107 | 78 | 201 | 200 | 258 | 798 |
| Public safety | | – | – | – | – | – | – | – | – | – | – | – | 3 570 |
| Housing | | – | – | – | – | – | – | – | – | – | – | – | 2 000 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | | 47 | 165 | 91 | 292 | 329 | 320 | 262 | 190 | 491 | 489 | 631 | 4 532 |
| Planning and development | | 0 | 1 | 1 | 2 | 3 | 3 | 2 | 2 | 4 | 4 | 5 | (27) |
| Road transport | | 44 | 156 | 86 | 276 | 310 | 302 | 247 | 179 | 464 | 462 | 596 | 4 718 |
| Environmental protection | | 2 | 8 | 4 | 14 | 16 | 15 | 13 | 9 | 24 | 23 | 30 | (159) |
| *Trading services* | | 435 | 1 524 | 844 | 2 698 | 3 032 | 2 950 | 2 413 | 1 751 | 4 533 | 4 516 | 5 824 | 3 828 |
| Electricity | | 66 | 231 | 128 | 410 | 460 | 448 | 366 | 266 | 688 | 685 | 884 | 3 128 |
| Water | | 167 | 584 | 324 | 1 035 | 1 163 | 1 131 | 926 | 672 | 1 739 | 1 732 | 2 234 | 6 673 |
| Waste water management | | 162 | 566 | 314 | 1 003 | 1 127 | 1 096 | 897 | 651 | 1 685 | 1 679 | 2 165 | (6 528) |
| Waste management | | 40 | 142 | 78 | 251 | 282 | 274 | 224 | 163 | 421 | 419 | 541 | 555 |
| *Other* | | – | – | – | – | – | – | – | – | – | – | – | – |
| Total Capital Expenditure - Standard | 2 | 531 | 1 861 | 1 031 | 3 295 | 3 702 | 3 602 | 2 947 | 2 138 | 5 536 | 5 515 | 7 112 | 15 177 |

# NON-FINANCIAL COMPONENT

## 5 YEAR SCORECARD

| Municipal KPA | Pre-determined Objectives | Ref | Key Performance Indicator | Reporting Directorate | Baseline 2013/14 (14/15 not available at time of tabling) | Target 2015/16 | Target 2016/17 | Target 2017/18 | Target 2018/19 | Target 2019/20 |
|---|---|---|---|---|---|---|---|---|---|---|
| Essential Services | Sustainable provision & maintenance of basic infrastructure | TL1 | % Expenditure on Operational Budget by Technical Directorate | Technical | New | 99% | 99% | 99% | 99% | 99% |
| | | TL2 | % Expenditure on Capital Budget by Technical Directorate | Technical | New | 97% | 97% | 97% | 97% | 97% |
| | | TL3 | Percentage compliance with drinking water quality standards. | Technical | 100% | 97% | 97% | 98% | 98% | 98% |
| | | TL4 | Number of outstanding valid applications for water services expressed as a % of total number of billings for the service. | Finance | 0% | <1% | <1% | <1% | <1% | <1% |
| | | TL5 | Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service. | Finance | 0% | <1% | <1% | <1% | <1% | <1% |
| | | TL6 | Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service. | Finance | 0% | <1% | <1% | <1% | <1% | <1% |
| | | TL7 | Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service. | Finance | 0% | <1% | <1% | <1% | <1% | <1% |
| | | TL8 | Decrease unaccounted water losses. | Technical | 27.5% | 23% | 21% | 18% | 16% | 14% |
| | | TL9 | Decrease unaccounted electricity losses. | Technical | 9.6% | 8% | 8% | 8% | 8% | 8% |
| | | TL10 | Kilometres of roads upgraded & rehabilitated | Technical | 4.54 | 2.3 | 2 | 3 | 3 | 3 |
| | Provide for the needs of informal settlements through improved services | TL11 | Number of subsidised serviced sites developed. | Technical | New | 150 | 200 | 200 | 150 | 150 |
| | | TL12 | Provide basic services - number of informal areas with sufficient communal water services points (taps). | Technical | 2 | 3 | 3 | 3 | 3 | 2 |
| | | TL13 | Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets). | Technical | 2 | 3 | 3 | 3 | 3 | 2 |
| | | TL14 | Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service. | Technical | 2 | 3 | 3 | 3 | 3 | 2 |
| | | TL15 | Number of subsidised electricity connections installed. | Technical | 60 | 0 | 185 | 225 | 200 | 200 |

| Municipal KPA | Pre-determined Objectives | Ref | Key Performance Indicator | Reporting Directorate | Baseline 2013/14 (14/15 not available at time of tabling) | Target 2015/16 | Target 2016/17 | Target 2017/18 | Target 2018/19 | Target 2019/20 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governance | Support Institutional Transformation & Development | TL16 | Percentage budget spent on implementation of Workplace Skills Plan. | Corporate | 99% | 99% | 100% | 100% | 100% | 100% |
| | | TL17 | Percentage of people from employment equity target groups employed in the three highest levels of management in | Corporate | 74% | 82% | 85% | 85% | 85% | 85% |
| | Ensure financial viability. | TL18 | Financial viability expressed as Debt-Coverage ratio | Finance | 24.7 | 16 | 16 | 16 | 16 | 16 |
| | | TL19 | Financial viability expressed as Cost-Coverage ratio | Finance | 1.53 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 |
| | | TL20 | Financial viability expressed outstanding service debtors | Finance | 62% | 44% | 44% | 42% | 42% | 42% |
| | | TL21 | Opinion of the Auditor-General on annual financial statements of the previous year. | Finance | Unqualified | Unqualified | Unqualified | Unqualified | Unqualified | Unqualified |
| | | TL22 | Increased revenue collection | Finance | New | 96% | 97% | 97% | 98% | 98% |
| | | TL23 | Percentage of budget spent on repairs & maintenance. | Finance | 99% | 99% | 99% | 99% | 99% | 99% |
| | | TL24 | Percentage spend of capital budget. | Finance | 96% | 97% | 97% | 97% | 97% | 97% |
| | To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures. | TL25 | Number of IDP community meetings held. | Municipal Manager | 14 | 14 | 14 | 14 | 14 | 14 |
| | | TL26 | Number of meetings with inter-governmental partners. | Community | 9 | 10 | 12 | 12 | 12 | 12 |
| Communal Services | Provide & maintain facilities that make citizens feel at home. | TL27 | Customer satisfaction survey (Score 1-5) - community facilities. | Community | 3 | 4 | 4 | 4 | 4 | 4 |
| | | TL28 | % Expenditure on Operational Budget by Community Directorate | Community | New | 99% | 99% | 99% | 99% | 99% |
| | | TL29 | % Expenditure on Capital Budget by Community Directorate | Community | New | 97% | 97% | 97% | 97% | 97% |
| Socio-Economic Support Services | Support the poor & vulnerable through programmes & policy | TL30 | Number of account holders subsidised through the municipality's indigent Policy | Community | 2689 | 2750 | 2600 | 2500 | 2400 | 2200 |
| | | TL31 | The number of jobs created through municipality's local economic development initiatives including capital projects. | | 367 | 380 | 390 | 390 | 400 | 400 |
| | | TL32 | Number of social development programmes implemented | Community | 15 | 19 | 20 | 20 | 20 | 20 |
| | | TL33 | Number of housing opportunities provided per year. | Community | 439 | 0 | 185 | 225 | 200 | 200 |
| | | TL34 | Number of Rental Stock transferred | Community | 15 | 100 | 120 | 120 | 120 | 120 |
| | Create an enabling environment to attract investment & support local economy. | TL35 | Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards. | Corporate | Implementation Plan completed | Phase 2 implement | Phase 3 implement | Phase 4 implement | Phase 5 implement | Phase 5 implement |
| | | TL36 | Compile & Imlementation of LED Strategy | Community | New | Phase 1 implement | Phase 2 implement | Phase 3 implement | Phase 4 implement | Phase 4 implement |

## 2015/16 QUARTERLY PROJECTIONS

| Municipal KPA | Pre-determined Objectives | Ref | Key Performance Indicator | Reporting Directorate | Target 2015/16 | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|---|---|---|---|---|---|---|---|---|---|
| Essential Services | Sustainable provision & maintenance of basic infrastructure | TL1 | % Expenditure on Operational Budget by Technical Directorate | Technical | 99% | 25% | 50% | 75% | 99% |
| | | TL2 | % Expenditure on Capital Budget by Technical Directorate | Technical | 97% | 10% | 40% | 60% | 97% |
| | | TL3 | Percentage compliance with drinking water quality standards. | Technical | 97% | 97% | 97% | 97% | 97% |
| | | TL4 | Number of outstanding valid applications for water services expressed as a % of total number of billings for the service. | Finance | <1% | <1% | <1% | <1% | <1% |
| | | TL5 | Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service. | Finance | <1% | <1% | <1% | <1% | <1% |
| | | TL6 | Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service. | Finance | <1% | <1% | <1% | <1% | <1% |
| | | TL7 | Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service. | Finance | <1% | <1% | <1% | <1% | <1% |
| | | TL8 | Decrease unaccounted water losses. | Technical | 23% | 23% | 23% | 23% | 23% |
| | | TL9 | Decrease unaccounted electricity losses. | Technical | 8% | 8% | 8% | 8% | 8% |
| | | TL10 | Kilometres of roads upgraded & rehabilitated | Technical | 2.3 | 0 | 0.5 | 1.5 | 2.3 |
| | Provide for the needs of informal settlements through improved services | TL11 | Number of subsidised serviced sites developed. | Technical | 150 | 0 | 50 | 100 | 150 |
| | | TL12 | Provide basic services - number of informal areas with sufficient communal water services points (taps). | Technical | 3 | 3 | 3 | 3 | 3 |
| | | TL13 | Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets). | Technical | 3 | 3 | 3 | 3 | 3 |
| | | TL14 | Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service. | Technical | 3 | 3 | 3 | 3 | 3 |
| | | TL15 | Number of subsidised electricity connections installed. | Technical | 0 | 0 | 0 | 0 | 0 |

| Municipal KPA | Pre-determined Objectives | Ref | Key Performance Indicator | Reporting Directorate | Target 2015/16 | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|---|---|---|---|---|---|---|---|---|---|
| Governance | Support Institutional Transformation & Development | TL16 | Percentage budget spent on implementation of Workplace Skills Plan. | Corporate | 99% | 25% | 50% | 75% | 99% |
| | | TL17 | Percentage of people from employment equity target groups employed in the three highest levels of management in | Corporate | 82% | 75% | 80% | 82% | 82% |
| | Ensure financial viability. | TL18 | Financial viability expressed as Debt-Coverage ratio | Finance | 16 | 16 | 16 | 16 | 16 |
| | | TL19 | Financial viability expressed as Cost-Coverage ratio | Finance | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 |
| | | TL20 | Financial viability expressed outstanding service debtors | Finance | 44% | 44% | 44% | 44% | 44% |
| | | TL21 | Opinion of the Auditor-General on annual financial statements of the previous year. | Finance | Unqualified | | | Unqualified | |
| | | TL22 | Increased revenue collection | Finance | 96% | 96% | 96% | 96% | 96% |
| | | TL23 | Percentage of budget spent on repairs & maintenance. | Finance | 99% | 25% | 50% | 75% | 99% |
| | | TL24 | Percentage spend of capital budget. | Finance | 97% | 10% | 40% | 60% | 97% |
| | To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures. | TL25 | Number of IDP community meetings held. | Municipal Manager | 14 | | 7 | | 7 |
| | | TL26 | Number of meetings with inter-governmental partners. | Community | 10 | 3 | 2 | 3 | 2 |
| Communal Services | Provide & maintain facilities that make citizens feel at home. | TL27 | Customer satisfaction survey (Score 1-5) - community facilities. | Community | 4 | | | | 4 |
| | | TL28 | % Expenditure on Operational Budget by Community Directorate | Community | 99% | 25% | 50% | 75% | 99% |
| | | TL29 | % Expenditure on Capital Budget by Community Directorate | Community | 97% | 10% | 40% | 60% | 97% |
| Socio-Economic Support Services | Support the poor & vulnerable through programmes & policy | TL30 | Number of account holders subsidised through the municipality's indigent Policy | Community | 2750 | 2500 | 2600 | 2700 | 2750 |
| | | TL31 | The number of jobs created through municipality's local economic development initiatives including capital projects. | Community | 380 | 100 | 200 | 300 | 380 |
| | | TL32 | Number of social development programmes implemented | Community | 19 | 4 | 8 | 12 | 19 |
| | | TL33 | Number of housing opportunities provided per year. | Community | 0 | 0 | 0 | 0 | 0 |
| | | TL34 | Number of Rental Stock transferred | Community | 100 | 15 | 45 | 70 | 100 |
| | Create an enabling environment to attract investment & support local economy. | TL35 | Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards. | Corporate | Phase 2 implement | | | | Phase 2 implement |
| | | TL36 | Compile & Imlementation of LED Strategy | Community | Phase 1 implement | | | | Phase 1 implement |

# DEFINITIONS OF PERFORMANCE INDICATORS

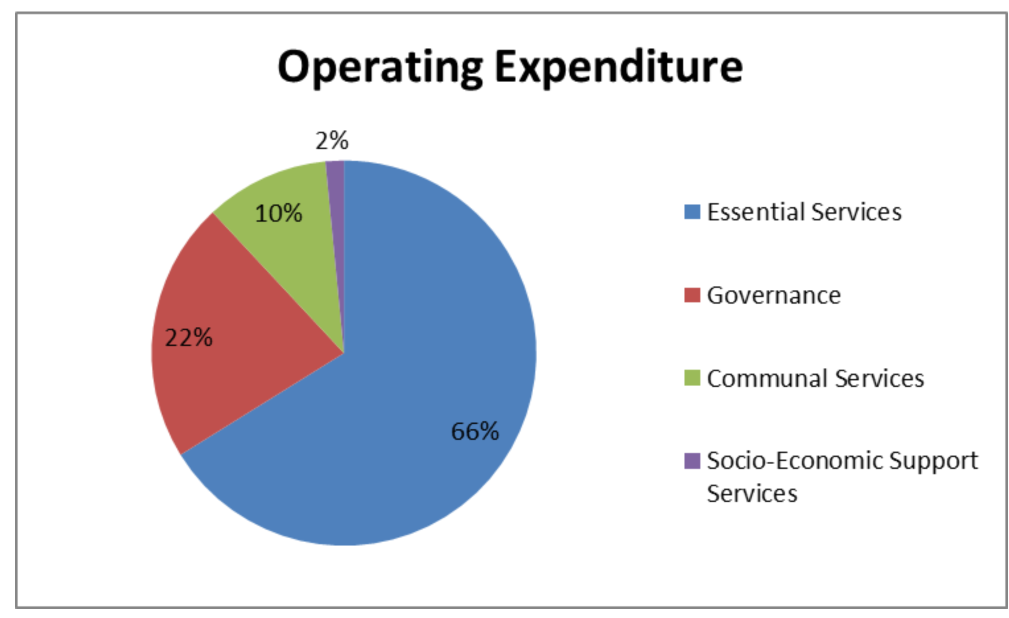
| Ref | Key Performance Indicator | Reporting Directorate | Definition |
|---|---|---|---|
| New | % Expenditure on Operational Budget by Technical Directorate | Technical | Percentage reflecting year to date spend (including secondary cost) / total repairs and maintenance budget of the technical directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure. |
| New | % Expenditure on Capital Budget by Technical Directorate | Technical | Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end. |
| TL2 | Percentage compliance with drinking water quality standards. | Technical | Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml. |
| TL4 | Number of outstanding valid applications for water services expressed as a % of total number of billings for the service. | Finance | This indicator reflects the number of outstanding valid applications (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator. |
| TL5 | Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service. | Finance | This indicator reflects the number of outstanding valid applications (where down payment has been received) for sanitation services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator. |
| TL6 | Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service. | Finance | This indicator reflects the number of outstanding valid applications (where down payment has been received) for electricity services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator. |
| TL7 | Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service. | Finance | This indicator reflects the number of outstanding valid applications (where down payment has been received) for waste removal services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator. |
| TL9 | Decrease unaccounted water losses. | Technical | Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources. |
| TL10 | Decrease unaccounted electricity losses. | Technical | Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health. |
| TL11 | Kilometres of roads upgraded & rehabilitated | Technical | This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced. |
| New | Number of subsidised serviced sites developed. | Technical | Definition of a housing opportunity: A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure |
| TL13 | Provide basic services - number of informal areas with sufficient communal water services points (taps). | Technical | This indicator reflects the number of informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Proxy for National KPI. |
| TL14 | Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets). | Technical | This indicator reflects the number of informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Proxy for National KPI. |
| TL15 | Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service. | Technical | This indicator reflects the number of informal settlements receiving a weekly door-to-door refuse removal collection service and on-going area cleaning (litter picking and illegal dumping removal). Proxy for National KPI. |
| TL16 | Number of subsidised electricity connections installed. | Technical | This indicator reflects the number of subsidised connections installed per annum in informal settlements and low cost housing. Proxy for National KPI. |

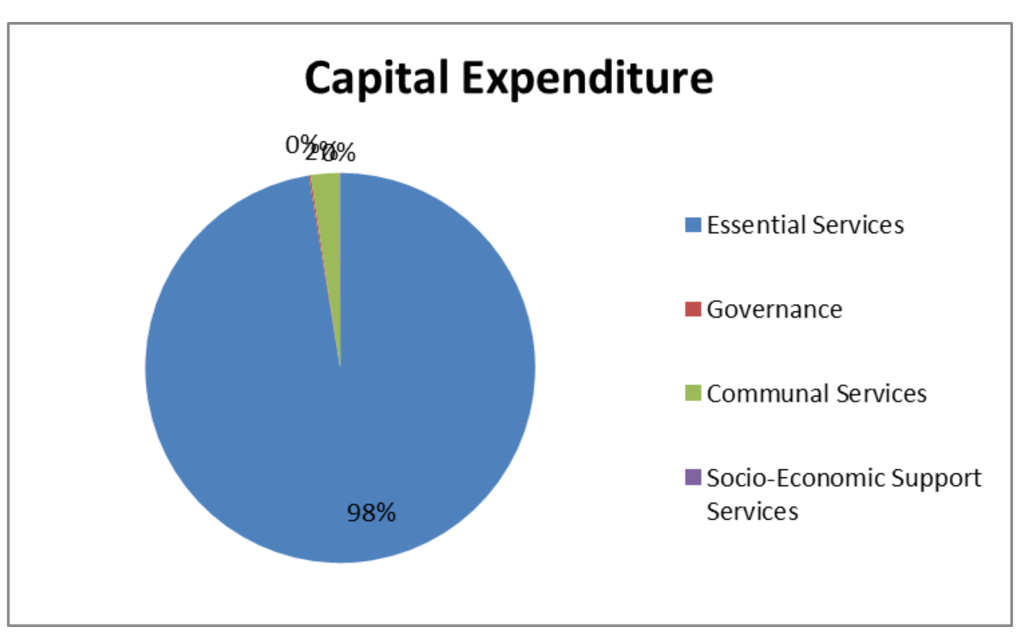
| Ref | Key Performance Indicator | Reporting Directorate | Definition |
|---|---|---|---|
| TL22 | Percentage budget spent on implementation of Workplace Skills Plan. | Corporate | A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. |
| TL25 | Percentage of people from employment equity target groups employed in the three highest levels of management in | Corporate | This indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. National Key Performance Indicator. |
| TL19 | Financial viability expressed as Debt-Coverage ratio | Finance | This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times. |
| TL20 | Financial viability expressed as Cost-Coverage ratio | Finance | This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. |
| TL21 | Financial viability expressed outstanding service debtors | Finance | These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at 30 June 2014. |
| TL18 | Opinion of the Auditor-General on annual financial statements of the previous year. | Finance | This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as "clean opinion". Alternatively in relation to a qualified audit opinion the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices or could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives. |
| New | Increased revenue collection | Finance | Indicator based on percentage of revenue collected from service accounts delivered. |
| TL1 | Percentage of budget spent on repairs & maintenance. | Finance | Percentage reflecting year to date spend (including secondary cost) / total repairs and maintenance budget. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure. |
| TL3 | Percentage spend of capital budget. | Finance | Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end. |
| TL23 | Number of IDP community meetings held. | Municipal Manager | Bi-annual community meetings as per IDP Process Plan held in each of the 7 towns. |
| TL33 | Number of meetings with inter-governmental partners. | Community | Number of Inter-Governmental meetings attended. |
| TL17 | Customer satisfaction survey (Score 1-5) - community facilities. | Community | This indicator measures community perception and satisfaction in respect of the access to and maintenance of certain community facilities. The municipality's Community Satisfaction Survey measures public perception around a number of issues. |
| New | % Expenditure on Operational Budget by Community Directorate | Community | Percentage reflecting year to date spend (including secondary cost) / total repairs and maintenance budget of the community directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure. |
| New | % Expenditure on Capital Budget by Community Directorate | Community | Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end. |
| TL28 | Number of account holders subsidised through the municipality's indigent Policy | Community | Refers to the number of account holders subsidised through the municipality's Indigent Policy. |
| TL29 | Number of social development programmes implemented | Community | The indicator refers to the number of social developmental programmes implemented. Seven programmes have been identified and each programme will consist of a number of projects and interventions. The programmes may includes the following: Youth Development, ECD Training, Social Entrepreneurship, Vulnarable groups, Street People, Substance Abuce, poverty eleviation & reduction. |
| TL30 | Number of housing opportunities provided per year. | Community | Definition of a housing opportunity: A housing opportunity is incremental access to and or delivery of one of the following Housing products: A. Subsidy Housing which provides a minimum 40m² house. |
| TL31 | Number of Rental Stock transferred | Community | Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and rented by the municipality to identified and approved beneficiaries. |
| TL27 | Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards. | Corporate | This indicator measures the following over the 5 year IDP period: • Land Audit Implementation Plan that would include well defined phases for implementing annually. |
| New | Compile & Imlementation of LED Strategy | Community | This indicator measures the following over the 5 year IDP period: Development of a LED Strategy that would include well defined phases for implementing annually. |

## BUDGETARY ALIGNMENT WITH IDP

### EXPENDITURE PER KEY PERFORMANCE AREA

| KEY PERFORMANCE AREA | Total Expenditure | Operating Expenditure | Capital Expenditure |
|---|---|---|---|
| **Essential Services** | 332 356 206 | 270 636 547 | 61 719 659 |
| **Governance** | 89 697 201 | 89 597 201 | 100 000 |
| **Communal Services** | 44 088 681 | 42 588 681 | 1 500 000 |
| **Socio-Economic Support Services** | 6 371 748 | 6 331 748 | 40 000 |
| **Grand Total** | **472 513 836** | **409 154 177** | **63 359 659** |



## OPERATIONAL EXPENDITURE PER STRATEGIC OBJECTIVE

| **Key Performance Area** | Strategic Objective | **Operational Budget** | |
|---|---|---|---|
| Essential Services | 1.1 Sustainable provision & maintenance of basic infrastructure | 296 860 295 | 303 496 005 |
| | 1.2 Provide for the needs of informal settlements through improved services | 6 635 710 | |
| Governance | 2.1 Support Institutional Transformation & Development | 37 838 118 | 96 682 161 |
| | 2.2 Ensure financial viability. | 32 689 034 | |
| | 2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures. | 26 155 009 | |
| Communal Services | 3.1 Provide & maintain facilities that make citizens feel at home. | 46 135 825 | 46 135 825 |
| Socio-Economic Support Services | 4.1 Support the poor & vulnerable through programmes & policy | 5 057 928 | 6 818 687 |
| | 4.2 Create an enabling environment to attract investment & support local economy. | 1 760 759 | |

## THREE YEAR PROJECTED CAPITAL EXPENDITURE PER WARD

| Directorate | Department Name | Description | Municipal Ward | Vote number | Budget 2015-2016 | Budget 2016-2017 | Budget 2017-2018 |
|---|---|---|---|---|---|---|---|
| Finance | Supply Chain Management | Forklift | 3 | 510500051 | 300 000 | - | - |
| | Financial Administration | Insurance Replacements | All | New Vote | 50 000 | - | - |
| Community | Library services | New Furniture | 3 | 520400141 | 71 048 | - | - |
| | | Book Detecting Systems | 3 | 520400121 | 800 000 | - | - |
| | | New Furniture | All | New Vote | 125 000 | - | - |
| | | Building Upgrade | All | New Vote | 80 000 | - | - |
| | Pine Forest : Administration | Pine Forest Upgrade | 3 | 520601371 | 2 000 000 | - | - |
| | Community Halls and facilities | Air Conditioner - Town Hall | 3 | 521100081 | - | 300 000 | - |
| | | Replace Town Hall Floor | 3 | 521100101 | - | 400 000 | - |
| | Parks | Vehicle Replacement Programme | All | New Vote | - | 200 000 | - |
| | Traffic | Fire Arms | All | 522000051 | 100 000 | - | - |
| | | Response Traffic Vehicle | All | New Vote | 420 000 | - | - |
| | Swimming Pools | Montana Swimming Pool - Re-fibreglass | 7 | 522401571 | - | 500 000 | - |
| | Social & Welfare services | Upgrading Of Nktaba Centre- Odb | 9 | New Vote | 625 000 | - | - |
| | | It Equipment- Belguin Grant | All | New Vote | 140 000 | - | - |
| | Recreational Land | ension Of Sport Facility- Ceres Leyellstr | 3 | New Vote | 150 000 | - | - |
| | Fire Protection | Bradblussers- Pos Van Liza Marie | All | New Vote | 50 000 | - | - |
| | | New Fire Figting Vehicle | 9 | New Vote | 3 000 000 | - | - |
| | Housing: Administration | Land for housing | 11 | New Vote | 2 000 000 | - | - |
| Corporate | Administration | Office Furniture - Witzenberg | All | 530100011 | 150 000 | - | - |
| | Information Tecnology | Microsoft Lisences | All | 530470001 | 200 000 | - | - |
| Technical | Electricity: Client Services | Network- Housing Projects | 11 | 540501841 | 4 000 000 | 4 245 614 | 7 000 000 |
| | | Prof Fees For Rural Dev Projects | All | 540590001 | 2 300 000 | 400 000 | 400 000 |
| | Electricity: Distribution | Tools & Equipment | All | 540820001 | 160 000 | 165 000 | 170 000 |
| | | Vredebes Electrification | 5 | 540820141 | - | 1 754 386 | - |
| | | Electrical Network Refurbishment | 7 | 540800021 | 1 000 000 | 1 000 000 | 1 000 000 |
| | | 11 Kv Ring Supply Stanlet/rand | 7 | 540800071 | - | 1 500 000 | - |
| | | Vehicle Replacement Programme | All | 540800051 | - | 700 000 | 1 600 000 |
| | Electricity | Vehicle Replacement Programme | All | New Vote | 300 000 | - | - |
| | Electricity: Street lights | Streetlights Housing Projects | All | New Vote | | 3 766 855 | 4 500 000 |
| | Mechanical Workshop | Tools & Equipment | All | 540920001 | 30 000 | 35 000 | 37 000 |
| | Sewerage | Bulk Sewer Bella Vista | 6 | 541100061 | - | 4 463 972 | - |
| | | Sewer Network Replacement | All | 541105061 | 725 000 | 1 522 500 | 1 632 587 |
| | | Sewer Pumps- Replacement P | 11 | 541101321 | 300 000 | 300 000 | 300 000 |
| | | Tools & Equipment | All | 541120001 | 100 000 | 100 000 | 100 000 |
| | | Vredebes Housing Sanitation | 1 | 541100051 | - | 12 000 000 | 9 500 000 |
| | | Prof Fees For Rural Dev Projects | All | 541120161 | 200 000 | - | - |
| | | Vredebes Bulk Sanitation | 5 | 541190001 | 3 491 352 | 3 029 808 | - |
| | Storm water management | Network - Storm Water Upgradin | All | 541300131 | 150 000 | 200 000 | 220 000 |
| | | Prof Fees For Rural Dev Projects | All | 541390001 | 200 000 | - | - |
| | | Vredebes Housing Stormwater | 1 | 541300071 | - | 12 000 000 | 9 500 000 |
| | Roads | Traffic Calming | All | 541400111 | 200 000 | 220 000 | 250 000 |
| | | Vehicle Replacement Programme | All | New Vote | | 800 000 | - |
| | | Network-street | All | 541401291 | 3 000 000 | 3 000 000 | 3 000 000 |
| | | Vredebes Housing Roads | 1 | 541400161 | - | 12 000 000 | 9 500 000 |
| | | Prof Fees For Rural Dev Projects | All | 541403891 | 500 000 | 600 000 | - |
| | | Vehicle Replacement Programme | All | New Vote | 230 000 | - | - |
| | | Jackhammers X 2 | All | New Vote | 80 000 | - | - |
| | | Upgrading Roads - Vredebes | 1 | New Vote | | - | 5 000 000 |
| | | Bella Vista Housing Bulk Roads & SW | 6 | New Vote | | - | 4 000 000 |
| | | Skoonvlei Upgrading of Roads | 5 | 541400191 | 3 800 000 | | |
| | | Equipment | All | 541401501 | - | 600 000 | - |
| | Water Distribution | Infrastructure Management System | All | New Vote | | 300 000 | 300 000 |
| | | Vredebes Bulk Water Supply | 5 | 541903801 | 6 335 786 | 8 520 067 | - |
| | | Bulk Water Pine Valey | 7 | 541900081 | 624 536 | - | - |
| | | Ceres: Bella Vista Bulk Water | 6 | 541900091 | 8 620 257 | - | - |
| | | Network - Water Pipes & Va | All | 541901371 | 300 000 | 500 000 | 600 000 |
| | | Prepaid Water Meters | All | New Vote | 2 500 000 | 1 000 000 | 1 000 000 |
| | | Vredebes Housing Water | 1 | 541900071 | - | 12 000 000 | 9 500 000 |
| | | Vehicle Replacement Programme | All | New Vote | | 250 000 | - |
| | Solid Waste (Garden) | Vehicle Replacement Programme | All | New Vote | 1 540 000 | - | - |
| | Solid Waste (Removal) | Vehicle Replacement Programme | All | New Vote | - | 650 000 | - |
| | | Upgrade Wolseley Landfill Site | 7 | New Vote | 1 500 000 | | |
| | Solid Waste (Dumping site) | Waste Transfer Station | All | New Vote | - | - | 7 500 000 |